Banks-1931

Nigeria

Africans Seek Alleged Bank Swindler In United States

East Tenn. News
Knoxville, Tenn.

Nigerians Claim American Got Away With $55,000.

1-27-31

DETECTIVES BUSY

Harry Craft Thought To Have Come Home.

NEW YORK.—The Commercia and Industrial bank, a Mellon institution, has been swindled out of $55,000.

A native African bank executive confessed that he was partner to the swindle and also named Charles C. Craft, an American who was executive of the Lagos branch of this million dollar bank, as being responsible for the robbery.

Bank Worth $500,000

The bank was chartered in England with an authorized capital of $500,000. Realizing the banking monopoly established on the west coast of Africa by British trusts Mr. Tete Ansah, of Accra, Gold Coast, founded the bank; by dint of hard work, he obtained the material cooperation of the native merchants and chiefs of Nigeria and the Gold Coast to become shareholders.

The bank decided to employ a complete Negro staff rather than employ Nordics. In view of the fact that few qualified Africans were already engaged by the British banks at fabulous salaries, the bank decided to seek an executive from the United States. Thereon it employed Craft, who acted in capacity of secretary of the b in its 98 Broad Street office.

Tete Ansah Called Home

Toward the end of last Mr. Ansah was cabled to home immediately as the bank was facing a storm of withdrawals, etc. News had already leaked out that the bank was failing and Ansah left immediately for West Africa.

Bank Connected With Native Farmers.

The bank, which is the most gigantic business venture undertaken by Africans toward economic independence, is also connected with the West African Co-operative Producers. Limited. with head office in Accra, Gold Coast, and branch offices in Lagos, London and New York. This company is a central marketing and importing organization, representing over twenty native farmers and merchants' co-operative societies on the west coast. It also offers credit facilities for shipment of all produce and importation of foreign merchandise.

Natives Lose Confidence

Before leaving, Mr. Ansah stated that he intended sending another American to reinforce his staff out there, but as it is now, Mr. Craft is ultimately incriminated by the Nigerian police, the African would have lost most vestige of hope and confidence in the honesty and integrity of his western brother, as an executive in business.

British Justice On Trail

The British government has started negotiations with its embassies abroad for police investigation and will send a detachment of native detectives to the United States for the extradition to Nigeria of those implicated in this colossal fraud.

NIGERIAN BANK ORDERED CLOSED

3-28-31

LONDON, England. — Dispatches from Lagos, Nigeria, report that the Supreme Court of Nigeria has ruled that the official receiver should wind up the affairs of the $500,000 Commercial and Industrial Bank, due to failure of the bank to meet the financial obligations of its depositors.

At the hearing of the motion of stay of execution by Mr. Tete Ansah his counsels, Messrs. E. J. Alex-Taylor and O. Alakija, charged that the British merchants and bankers were helping to exterminate the only native economic institution of consequence which competes with English commercial supremacy in West Africa.

The bank will henceforth be closed. It will be remembered that a few months ago West Africa was startled when an employee of the bank charged an employee with getting away with $55,000 of the bank's money. This alleged fraud has greatly injured the stability of the bank as the depositors made a mad rush for their deposits, despite the notices given by Tete Ansah that he had secured an additional $100,000 from Wall Street to reinforce the bank's assets.

Banks-1931

BISHOP JONES IS SUED FOR $971 BY D. C. BANK

WASHINGTON, July 8.— Bishop Edward D. W. Jones, of the African Methodist Episcopal Zion church, S M. Dudley, corresponding secretary, and Charles Wilson, were served with papers announcing a suit against them for $971 by a deputy United States Marshall, on behalf of the Prudential bank, last week.

The suit was filed in the Municipal Court in May. Bishop Jones was out of the city at time and could not be found for service. He issued a statement, however, explaining that it was not a personal obligation. The suit was made returnable on several dates, but was continued each time because service on Bishop Jones had not been had.

Dudley is the maker of the note, and Bishop Jones and Wilson are endorsers. The suit was filed thru Attorneys Howard and Hayes.

Bishop Jones has recently attracted considerable notoriety by reason of his continuous attacks on men whom he believes were responsible for efforts to have Dr. Mordecai W. Johnson removed as president of Howard University. His daughter Miss Catherine Beard, is secretary to Dr. Johnson.

$125,000 XMAS CHECKS TO AID BUSINESS

WASHINGTON—Local retail trade is expected to feel the favorable effects of the $125,100 being mailed to the 5,500 members of Christmas clubs here, W. H. C. Brown, president of the Industrial Savings Bank, and Dr. John R. Hawkins, president of the Prudential Bank, told the AFRO this week.

The bank heads point out that the Christmas savings idea is a real boon to merchants and is especially helpful during these times of business and industrial depression. The accounts they say, have been kept up better this year than in previous years, despite the conditions.

Some club accounts ran as high as $250, while others ranged from 25 cents up. Both men estimate that about 20 per cent of the total amount will be redeposited or used as securities.

"While much of the money is used for Christmas shopping among the local trade," Mr. Brown said, "year by year more persons are opening permanent accounts from their Christmas savings. The depression has had no effort on the clubs."

Invest in Stocks

Contrasting the present time with that of 20 years ago, Mr. Brown declared that more and more of our group are investing in stocks and bonds, instead of real estate alone.

Compared with the past year, the Industrial Bank had an increase of 500 new subscribers and $15,000 more cash distributed.

"The saving habit is growing," Dr. Hawkins stated, "because people are learning the lesson of self-denial." He predicted that there would be a minimum of giving of worthless objects, Doctor Hawkins also suggested that as the saving habit was being learned, the next lesson is that of proper investment.

"No one knows when the depression will end," he declared, "and it is best for persons to prepare for a worse period than they are now facing."

The increases of the Prudential Bank, this compared with the 1930 season, are $8,100 and 1,000 new members. Both banks are now interesting their '32 Christmas clubs.

Two Washington Negro Banks Join National Credit Ass'n

WASHINGTON, D. C.—The two Negro banks of Washington, the Industrial Savings and Prudential, have joined the National Credit Corporation, for relief of the depression in the United States. The meeting was held here Friday night at the Willard Hotel, which President Hawkins attended. President Brown of the Industrial was out of the city, but his bank was the first one of all the banks here to approve the plan.

Of all the many plans intended to relieve the depression manifest all over the United States, and world wide in its extent, none equals the "National Credit Corporation," the $1,000,000,000 structure suggested by President Hoover to aid banks who find their assets "frozen," which means securities held by the banks, perfectly safe and sound, but not eligible for rediscount by the Federal Reserve System. The corporation organized and existing under the laws of the State of Delaware, has assembled the banks of the several Federal Reserve districts into "credit associations." The banks of this (fifth) district have set up "National Credit Association No. 3"—under a call, approved by the Comptroller, the banks of Washington were requested to subscribe to the notes of the National Credit Corporation in amounts equal to two per cent (2%) of deposits on 10 per cent. of capital and surplus.

Every bank in Washington subscribed; the two banks of our group. Industrial Savings and Prudential, being among the first to file subscriptions to the full amounts requested and allowed—even before the corporation can begin to function the good and helpful effects are manifest. The new assurance that help is available, has so heartened hard pressed institutions all over the country and relieved the hysteria of the people that the "Hoover idea" has already justified its existence—while there was no present need for this aid in Washington the banks all being in first class condition—it is pleasant to report that our bank approved it heartily.

WASHINGTON BANKS ARE FIRST CONCERNS OF RACE TO JOIN

WASHINGTON, Nov. 12—(By CNS)—The two Negro banks of this city, the Prudential Bank and the Industrial Savings Bank, were among the first banks here to join the National Credit Corporation, the one billion dollar financial enterprise formed by American bankers at the request of President Hoover, it was announced last week. The purpose of the new corporation is to improve the liquidity of frozen assets of banks all over the country and to make it easier for the man in the street to secure capital for legitimate business. This move on the part of these banks promises to do much to aid Negro business. Both of the banks were complimented for their subscription of two per cent of their total deposits to this billion dollar fund. Both banks are under the United States government supervision.

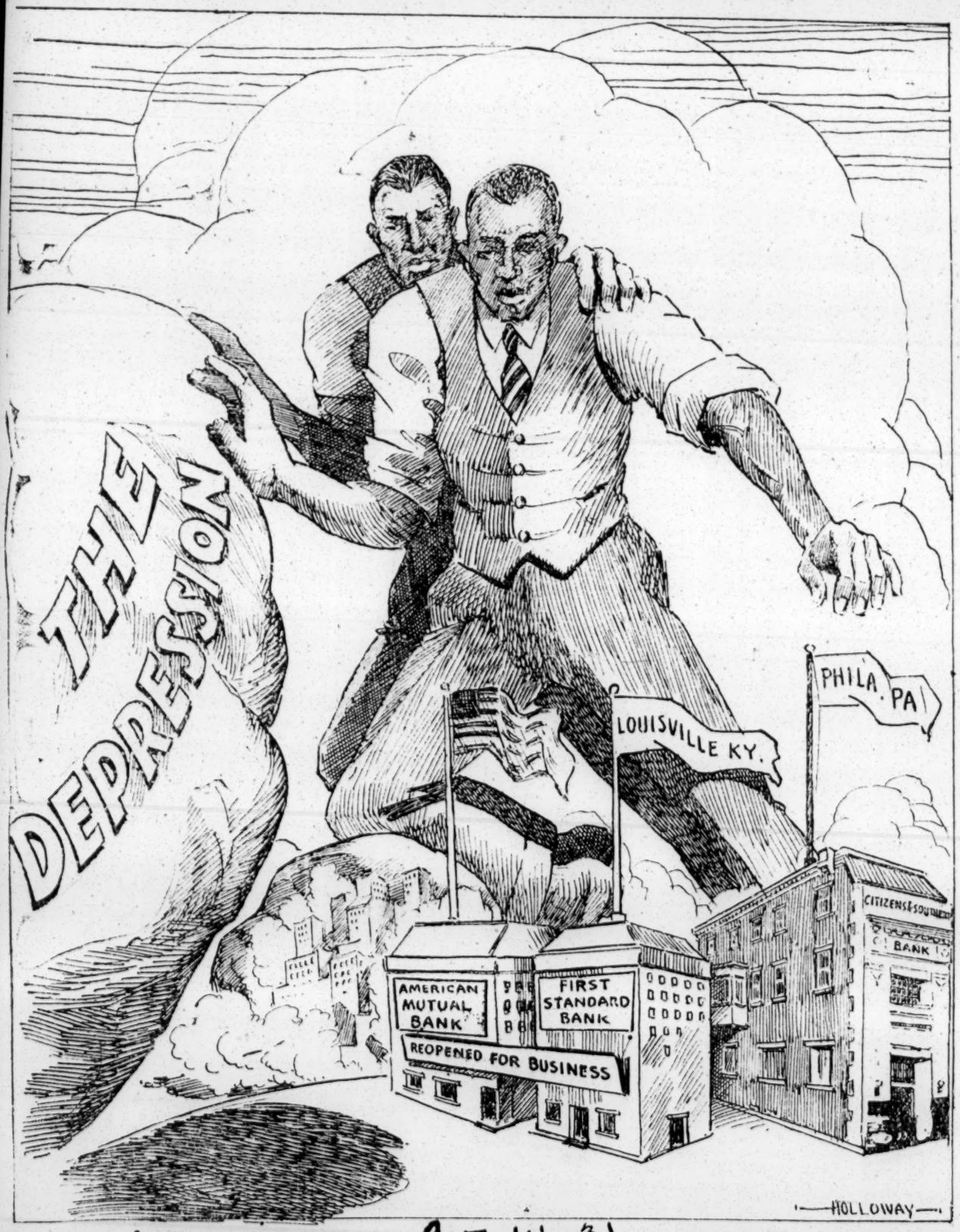
At the same time as the announcement of membership in the National Credit Corporation, came the announcement that both banks would mail checks in the near future to members of their Christmas savings clubs. The Prudential Bank will send out checks aggregating more than $65,000 to its members, while the Industrial Bank will send out more than $60,000.

Banks Showed Marked Stability

Marked stability, in these times of bank panics and economic depression, has been shown by these two local institutions. Much credit has been given them for the firm financial support given local Negro business and Negro home owners during the unemployment crisis and the accompanying commercial depression.

Banks-1931 General

ROLLING AWAY THE STONE OF DEPRESSION!



Courier 2-14-31 Pittsburgh Pa.

OUR BANKS AND OUR BANKERS

In this amazingly frank article on the part Negro Banks play in making the Negro economically independent, the author holds out hope for the future. Supporting the article is one of Holloway's striking cartoons. Read this article carefully and digest its contents.

SAYS 6,000 WHITE BANKS CLOSED IN 1930 WHILE 4 RACE BANKS FAILED

Courier 2-28-31 Pittsburgh Pa.

Major R. R. Wright, President Of National Negro Bankers Association, Reviews Past Year—Tells of Splend'd Co-operative Progress of Negro Banks.

Philadelphia, Feb. 18, 1931.

Robert L. Vann., Esq.
Editor, The Pittsburgh Courier.

Dear Sir—I am sure that you are as delighted as I am that the banks owned and operated by colored men have made such a splendid showing in these days of the severest depression that our country has ever been called upon to endure. During the year 1930 more than 1300 banks closed their doors, and during the decade ended in 1930 more than 6000 white banks closed their doors. We had four of our banks to close their doors during the year 1930. It was sad and in most cases quite unexpected, but nevertheless it was as human for these four banks to close their doors as it was for those of the opposite race to meet the same fate. The most encouraging thing is to know that so many of our banks were able to weather the storm and still keep their doors open and do business "as usual."

I feel that you also are delighted to know of the splendid success which attended the consolidation of the three banks in Richmond, Va. This delightful consummation was due in the largest manner to the genius and splendid good management and good will of that magnificent woman, Mrs. Maggie L. Walker. Her success in having the three banks merged under the name of the Consolidated Bank and Trust Company shows that the Negro has financial sense and even genius. Our successful consolidations or mergers we exhibit to the world, as well as to ourselves, the fact that we have begun to learn the lesson of consolidation and co-operation. The Negro has the means and the knowledge to make his banks as successful as are the banks of other races. He can do the job and he will do it, as evidenced by what was done in Richmond.

But I have another example: The American Mutual Savings Bank and the First Standard Bank in Louisville, Ky., were carried down by the momentum of the failure of a white bank which they had trusted with their bank reserves. By no fault of their own, these banks were compelled to close their doors. But did they stay closed? On your sweet life, they did nothing of the kind but they consolidated and opened their doors for business, "as usual." Under the name of the Mutual Standard Bank, they flung to the breezes their bank flag, which they would not permit to trail in the dust of defeat. To accomplish this, the unusual among us was done—both bank presidents submerged their personal ambitions and relinquished their high titles and selected a third man to preside over them as president of the consolidated banks. These two instances of Richmond and Louisville show that the Negro is learning to do—at the right time—the necessary thing in business.

The other two banks that failed except the bank in Chicago, are endeavoring to muster their forces and come back. We have reasonable evidence, that the Metropolitan Bank and Trust Company, Norfolk, Va. will pretty soon reopen its doors. Word also has come that the bank in Nashville, Tenn., the Peoples Bank and Trust Company, is endeavoring to muster its forces for reopening its doors.

It must be gratifying to every newspaper of our group throughout the land that this phase of our progress is being fostered. We all know that we must have banks if our group is to make the progress which other groups of our cosmopolitan nation are making. We cannot forfeit or relinquish the financial part of our economic progress to any other race. We must show that we can manage money. We are going to do it. We have yet a number of banks that have not bowed their knee. These banks are going to meet this year—Sept. 18 and 19—in the city of Philadelphia. They are going to be welcomed by the officials

of this city. The Chamber of Commerce and other important bodies have extended them an invitation. They are going to be here. However small their number may be, it will grow larger as time develops.

They are grateful to the newspapers of our group for the kindly consideration which these newspapers have given to them. Let us all pull together for the economic development of our people in every line.

R. R. WRIGHT Sr.,
President, National Negro Bankers' Association.

A Good Sign

Journal & Guide

THE reopening of Metropolitan Bank and Trust Company has already been aptly referred to in these columns and by others as a remarkable demonstration of stamina on the part of the community and those directly affected.

Difficulties that have occurred in banking circles in Chicago and Philadelphia recently serve to accentuate the holding on qualities of the financial structure of our race group at the present time.

Norfolk, Va

A few weeks ago 24 banks closed in the neighborhood of The Douglas National, the only Negro bank in Chicago. The Douglas stood the strain, and is reported to be going strong at the present time despite the rather chaotic conditions surrounding it.

8-1-31

Since the storm that was weathered by the Douglas National in Chicago, Philadelphia was hit by a bank disaster that carried down funds of colored depositors estimated at $1,500,000 to $2,000,000. When the Northwestern Trust and one of its branches closed recently it subjected the Citizens and Southern Bank and Trust Company, Philadelphia's Negro bank, to an extraordinary experience, which it withstood successfully, and the latest word from Philadelphia is that conditions are normal with the Citizens and Southern.

Undoubtedly, both the Chicago and the Philadelphia banks will gain additional strength as a result of their recent trying experiences. As was said in these columns some months ago, the remaining banks which constitute the backbone of our own identifiable financial structure are well managed, conservative, and safe, as far as it is possible for such institutions to be in these very unusual times.

It is a good sign and speaks volumes for the future economic welfare of our race business structure, as well as for individual and collective thrift, which needs to be emphasized more at the present time.

As a general proposition the necessity for retrenchment and general economy has not as yet percolated down to the masses sufficiently. Despite the curtailment of employment, the general reduction in salaries and other measures that are employed to bring conditions into adjustment there are too many obvious signs of recklessness in personal and group expenditures which tend to dissipate our resources.

Naturally our bank situation in Norfolk, Chicago, and Philadelphia is highly pleasing, and all thoughtful people indulge the hope that it will remain so, but it can only hope to maintain the present desirable position by a continuance of confidence, courage, and conservation. These three fundamentals combined with support will bring us out of the woods.

Banks-1931

NATIONAL URBAN LEAGUE WEEKLY BULLETIN

BY JESSE O. THOMAS.

In connection with the centennial celebration of the United States Building & Loan League it is interesting to observe that the Georgia Loan League, representing Georgia's affiliation with the national movement, has grown from four branches or associations in 1920 with assets of only $250,000 to 39 branches or associations in 1930 with assets of over $6,000,000. Thus far as records indicate, there have been no failures or losses. The one hundredth anniversary of the United States Building & Loan League was celebrated at the Atlanta Biltmore hotel Saturday, January 3. Seven local associations participated. Among the 39 different associations in Georgia and of the seven in the city of Atlanta is one known as the Standard Building & Loan Association, which is well organized and controlled by colored businessmen in the city of Atlanta. The object and purpose of the Building & Loan Association is known to anyone conversant with the home ownership encouragement. This organization has given property purchasing co-operation to small wage earners who otherwise would not have been able to own their homes.

The Standard Building & Loan Association is having its sixth anniversary of the founding of the association on the night of January 13. The growth of this association has been not spectacular, but steady. Its overhead has been kept down to the minimum so that the cost of operation has not eaten into the profits. It is expected when the report of the growth of the organization is published at the proposed anniversary celebration that the condition of the organization will attract a large number of stockholders from the business and professional men in the city.

FORGOTTEN BANK DEPOSITS

The past week a bill was introduced in the legislature requiring banks and trust companies to turn over to the state all deposits against which there is no claim. As a finality there can be but slight objection to this reversion, but before this is done an honest effort must be made to find the relatives of such depositors. In certain states financial institutions are required to publish at stated periods, the names of depositors and amounts to their credit, thus giving relatives an opportunity to make legal claim. This feature should be a part of the above bill. We are aware of two instances of forgotten deposits of fairly large amounts in local banks. One of them was that of an elderly lady who having mislaid her book on this particular bank, lost sight of the deposit. Years afterward, in casual conversation, her mind was refreshed and as a result, by the giving of bond, she was able to secure several hundred dollars, which would have otherwise been lost to her or her dependents. Another instance is that of an estate. A few years after its closing, it was found by chance that a large amount was on deposit in a bank. This was secured. These are but two instances of hundreds of others that may be now held. he forcing of these banks to publish at intervals these old accounts will be the means of many poor persons securing what is rightfully theirs.

Banks- 1931.

CHICAGO BANKS CRASH---DOUGLASS NATIONAL, ONLY NEGRO INSTITUTION, STANDS FIRM

Chicago, June 17—(By A. N. P.)—Chicago suffered the worst financial flurry in its history last week. Twenty-four banks, several of them with heavy Negro deposits, closed their doors within a space of three days. The Douglass National, the only remaining Negro bank in Chicago, withstood the storm, and observers state that it has emerged stronger than ever before in the confidence of the people.

In an interview with President Anthony Overton relative to the banking situation in Chicago, he stated to an Associated Negro Press reporter that the depositors of the Douglass National need have no fear as to the stability of their institution.

"In addition to the bank's liquid condition, it has back of it the Federal Reserve System as well as its correspondent bank, the Continental and Commercial, which is the largest bank west of New York and one of the strongest banks in the world," said Mr. Overton.

"The Douglass National is an institution in which every Negro should take pride. During the first quarter of this year, it was the only national bank in the city to show an increase in its deposits. This is a record worthy of note and every one should glory in its achievement. During the years of its operation it has weathered every storm and has under the leadership of a sound and conservative banking policy rendered a distinct service to the people of the South Side."

The disaster began with the merger of the Foreman State National Banks, a $300,000,000 institution, with the First National. This union was forced by the difficulties which frozen real estate interests had sucked the 69-year-old Foreman institutions into. The bankers of the city, fearing the effect of the crash of one of the foremost banks in town upon public sentiment, rallied to insure its orderly retirement but failed to provide support for half a dozen important outlying institutions which the Foremans controlled. These "orphaned" banks deprived of the connecting institution through which they cleared were forced to close their doors, although in most cases they were said to have been in reasonably "good shape."

Depositors throughout the city became panicky. Runs began on the smaller institutions. Twenty-four of them closed.

Colored people, scarcely recovering from the Binga, Banker's State, and Citizens Trust crashes, suffered severely. The Lincoln State, 31st and State Streets, with $1,000,000 deposits, a good portion of which is said to have belonged to colored people, closed voluntarily when threatened with a run. The South Side Trust and Savings, 43rd and Cotton Grove Avenue, with $4,000,000 deposits and the Washington Park National with $9,000,000, both of which touch heavily populated colored districts and the Industrial at 47th and State Street, a smaller institution, were among those whose cessation of business affected colored people most. Negroes' holdings, however, are scattered about the city in many depositories so that it is difficult to estimate how much of the group's funds are tied up.

In most of the banks affecting colored people plans are on foot to reopen. The Lincoln State in which Alderman Louis B. Anderson is a director, and a number of Negroes stockholders including Charles S. Jackson and Dr. A. Wilberforce Williams, announce plans for early reopening. Financial circles state that South Side Trust and Washington Park National likewise have a chance to reorganize and resume business.

The Douglass showed remarkable strength. A van load of money was sent out by the Continental and Commercial through which it clears. The money was stacked up in sight of the depositors who on Tuesday morning gathered in numbers. At one time there were four hundred people in the bank intent upon making withdrawals. Finally after a reassuring speech, President Overton invoked the sixty-day clause on savings withdrawals and the run rapidly subsided.

The Douglass National now stands in an enviable position. It is the only bank open from 22nd Street to 63rd Street and Cottage Grove to Wentworth Avenues, a territory comprising some 400 square blocks and including most of the Negro inhabitants of the city. Within the year ten banks have closed in this district. The directors are said to be considering plans for capturing as much of this business as possible.

6 EMPTY BANKING BUILDINGS IN CHICAGO

Afro-American 6-27-31

CHICAGO, (ANP) — The Negro business section of Chicago is adjusting itself to the new conditions in banking circles in the district.

That there has not been greater disruption of business with six banking houses empty is regarded as remarkable. With something like $5,500,000 tied up in closed banks, perhaps $2,000,000 or $3,000,000 belonging to colored people, business is still going on and a spirit of optimism is emerging from the gloom.

The consolidation last week of the Franklin Trust and Savings Bank with the Straus National and its removal from 35th and Michigan Avenue to the downtown location of the Straus institution which owned control in it, marked the sixth empty bank building in the Negro belt. Others are Roosevelt, Bankers Trust, Citizens, Kenwood National and Binga State.

The Franklin Trust was regarded as a strong institution. It was established before the district became colored, but in recent years most of its depositors were colored though perhaps the bulk of its actual deposits belonged to whites.

The Franklin had approximately resources of 3,500

It was an interesting study of a high-class white bank in a Negro neighborhood. It made few loans to Negroes. Of its twenty or thirty employees, none were colored except the policeman who stood guard in the lobby. The two vice-presideents, E. F. Olson and Irving Rich, the former also cashier, were paid salaries, it is said, of $13,000 per year each. The heavy overhead, the decline of the immediate neighborhood and the erection of a huge Catholic gym opposite their building are said to be contributory causes to their removal and consolidation.

Meanwhile, rumors keep crediting various groups of whites as negotiating for the reopening of Binga Bank. Receiver Edward H. Morris is proceeding with the liquidation. J. C. Ross is in charge of accounts. C. N. Langston, former cashier, is now manager of new business at Lincoln State Bank.

Jesse Binga is rarely seen since the crash. The Binga Arcade, the half-million-dollar building built next to the bank at 35th and State, has been re-organized, and the name Binga deleted from its title. Dr. A. Wilberforce Williams and Dr. U. G. Dailey head the re-organization.

Banks-1931

Illinois

Jesse Binga Ousted

Afro-American

CHICAGO.—The name of Jesse Binga, former president of the Binga State Bank, was stricken off the books as executive secretary of the Thirty-fifth Street Arcade Corporation at the recent meeting of its board of directors, who elected Dr. A. Wilberforce Williams as president. Two of his former employees who held the office of president and treasurer, were also replaced.

3/5/31

Returned to Jail

BINGA ARRESTED; CHARGED WITH EMBEZZLEMENT

Defender

Washington

Chicago's Banker Dodged Arrest. Held Over Night In Jail Hospital

CHICAGO (ANP)—Jesse Binga, former president of the defunct Binga State Bank, was arrested here, Thursday, charged with embezzlement of some $300,000 from the institution which he headed.

The probable arrest of Mr. Binga has been rumored ever since the cease of the bank. Warrants were reported to have been gotten out for him on various charges. Reports that he could not be found and that he was in a local hospital were circulated along with the story that he had transferred all of "earthly belongings" to his wife who according to reports was rich in her own right.

Thursday, however, rumors of arrest became a fact when Deputy Sheriffs Rallihan and Feeney, laid in wait for the banker at his home, 5922 South Parkway, and took him into custody. He was rushed to the Cook County Jail and bond was set at $55,000.

Four Others Arrested

Along with Mr. Binga, four of his former employees were taken into custody and charged with embezzlement. They were Miss Inez Canty, secretary to Mr. Binga, who, according to members of the board of directors, passed on loans in Mr. Binga's absence; Harry Scott, chauffeur and "right hand man of Mr. Binga;" Thomas R. Webb, a director and former auditor of the Pullman Porters' Benevolent Association; and DeWitt Curtiss, who was vault custodian and floor walker when the bank was in operation. Binga is said to have had the four employes indicted with him sign notes when they had no financial responsibility. The money secured on the notes Mr. Binga would use to put through his numerous real estate transactions. The employees are accused of conspiracy.

So much of the institution's money became tied up in these operations together with other frozen assets, that it was forced to close. When the bank suspended it had deposits of $1,280,000. It was organized as a state bank in 1920.

Held in Jail Hospital

Since the closing of the Binga State Bank, which caused a financial crisis on the Southside of Chicago, several reports have been circulated that the institution would be re-opened, but as yet they have not materialized. The latest was circulated during the pre-primary days but depositors had been fooled so often that they considered this as a political gesture.

Mr. Binga, according to friends, has been ill in the hospital for months. His arrest was effected when the officers waited at his house for the doctor to come who was attending him. The doctor, says the story, arrived, rang the door-bell and was admitted and along with the physician went the officers. And the bankers, ofttmes declared to be Chicago's richest Negro, was placed under arrest, and when he could not make the $10,000 bail on one of the embezzlement charges, was held in the jail hospital overnight.

Held for $300,000 Embezzlement

Washington

September 3-14-31

Chicago Defender

Jesse Binga, 5922 South Pkwy., banker and real estate dealer, former president of the closed Binga State bank at State and 35th Sts., was indicted Thursday, March 5, by the grand jury on charges of embezzlement. He is accused of having misused between $250,000 and $300,000 of funds belonging to the bank.

Arrest Binga

Binga was arrested late Thursday by Deputy Sheriffs Rallihan and Feeney. They were unable to gain entrance in the afternoon, but returned after dark and laid in wait. When the door was opened for a doctor, the deputies entered. Binga was taken to the county jail when he was unable to make the bond of $55,000, was transferred to the jail hospital where he is still confined.

Five Indicted

The indictment was returned before Chief Justice John P. McGoorty of the criminal court just before noon Thursday after five bills were reported voted by the grand jury naming Binga and four others. The others named are Miss Inez V. Canty, for 22 years a trusted employee and secretary to Jesse Binga and referred to as one of the brains of the then prosperous real estate and banking institution; Harry Scott, employee, and ofttimes referred to as "Binga's right-hand man"; Thomas R. Webb, former head of the Pullman Porters Benevolent association, a director of the closed bank and one of the hardest workers in trying to reorganize and open the institution, and DeWitt Curtis, vault custodian, who was formerly a railroad man.

When Bank Closed

The Binga State bank closed its doors on Thursday, July 31, 1930, at 3 o'clock, upon orders of the state bank examiner, Oscar Nelson. The closing threw the South side into turmoil. Crowds of depositors gathered in front of the bank. Two uniformed policemen were put on guard for several days. There were no disorders. Instead, there was a deathlike pall that hung over those who had intrusted their life's savings to Binga, not so much that they had any love for the head of the bank, but it was pride—that pride of seeing their own Race behind the cages that led them to 35th and State St. to do their banking. Four years the Binga bank was pointed out to visitors as something accomplished by our group.

And so with the crash went the "castles in the air"—also the people's money. The closing of the Binga State bank was followed by the closing of the Roosevelt-Bankers State bank (white) at 47th and South Pkwy. and later by the Citizens Trust and Savings bank, also white, at 55th and State St.

Only a couple of weeks ago at a mass meeting at the Pilgrim Baptist church plans were spoken of regarding the proposed reorganization of the bank. On the platform were Thomas R. Webb, one of the men indicted Thursday. Following the meeting, before he could get to the street, a Chicago Defender reporter was told that the bank examiners had been in the bank the day before and the mass of evidence was such that there was no possible way for indictments not to follow.

The first and second true bills were reported naming both Binga and Miss Canty on charges of conspiracy and embezzlement. The third bill named Binga, Miss Canty and Webb. The fourth bill named Binga and the fifth Binga, Scott and Curtis.

There had been rumors and counter-rumors regarding the condition of the Binga bank. Heavy withdrawals followed some disclosures made by those who knew the condition, it was pointed out by one of the former directors to a Chicago Defender reporter.

Binga Wouldn't Resign

The closing of the bank followed an investigation of its funds and assets. It was reported at the time that the bank could have been saved had certain moves been made. Directors were given time to raise, according to the Defender's informer, $400,000. This sum would not be forthcoming from the directors unless Jesse Binga resigned as president. This, it is said, he refused to do. An effort to get in touch with Mr. Binga during that time for a statement failed and since the closing of the bank he has kept in seclusion.

Those close to the inside affairs of the bank claim Binga appealed to Samuel Insull Sr. for help. Whether his help came in time or not the bank closed. C. W. Langston, who won on the Republican ticket in the primaries for county commissioner, but was defeated in the election, was vice president of the bank. At the time of its closing he issued a statement that "the closing was the result of insufficient cash and frozen assets."

The Binga State bank was organized in 1920 and was capitalized at $200,000. When the doors were closed the deposits amounted to $1,280,000. It was an outgrowth of the private bank owned by Binga, who had built up a lucrative real estate business at 36th and State Sts., on the southeast corner. When Binga first entered the real estate business after following the trades of a vegetable peddler, waiter, railroad man, white people were fleeing Wabash Ave. and streets east because our people were moving into this district.

Binga is reported to have leased homs which rented for $20 and $25 a month and rerented them to his own people for $10 to $15 more than the white renters had been paying. This method was followed by other real estate dealers. Binga is accused of boosting not only rents but property on the South side.

The bank moved to its present quarters in the spring of 1929 when the Binga Arcade, an imposing five-story building, was finished. This edifice, with a dance reception hall on the fifth floor, was a dream of Jesse Binga's and although he had been warned that such a building would not bring back sufficient returns in rentals, he insisted on erecting it at that corner.

Fixes Bond

At the time of the opening Binga was president of the Associated Business club. He was heralded as the leading business man of our group in Chicago. Binga was an active member of the Mid-South side chamber of commerce. He was one of the donors to the new Civic opera and yearly gave thousands of dollars to the poor.

When the indictments were returned Judge McGoorty fixed Binga's bond at $55,000. Conviction on embezzlement charges carries a sentence from one to 10 years. Deputy Sheriffs Rallihan and Feeny were sent to arrest Binga Thursday afternoon. Two Chicago Defender reporters and a photographer trailed the deputy sheriffs' car. When they arrived at the Binga residence no one answered the front or back door. During the wait the shade in the north front window on the second floor was raised. The deputies left to return later in the evening when the arrest was made.

According to Assistant State's Attorneys Leonard M. Rice and Henry Ayres, immediately after the closing the prosecutors were assigned to investigate the bank's affairs. Prosecutor Ayers said today that real estate manipulations by Binga resulted in the shortage of the financial institution's funds.

Binga's embezzlements, the prosecutors said, have been traced back to 1925, but under the statute of limitations they can proceed against him only on those which occurred during the last three years, roughly amounting to $180,000. Citing how Binga allegedly took the money, Mr. Ayers said $71,000 was obtained with the assistance of Scott and Curtis by signing notes on mortgages and taking money from the bank.

Bankruptcy Plea Filed

The mortgage notes, the prosecutor continued, would be turned in for cashier's checks, and when the mortgages fell due they either would be renewed for long periods or replaced with other signed notes.

An involuntary petition in bankruptcy was filed last Dec. 3 against Binga on behalf of the John J. Dunne Coal company.

One of the bills in the indictments, according to Attorney William L. Temple, presenting the Great Lakes Lodge of Elks, charges Binga with embezzlement of $19,595.97. This sum, according to Attorney Temple, was turned over to him by the trustees of the lodge, it being the amount received from the fire in the old Schumann-Heink home, 37th and Michigan, where the Great Lakes Lodge of Elks made their home.

CHICAGO CAPITALIST TO FACE TRIAL IN $300,000 SHORTAGE

Amsterdam News
3-11-31
New York, N.Y.

Deputy Sheriffs, Who Lay in Wait Near Home of Accused Man Armed With Warrant, Gain Admission Through Use of Ruse

CHICAGO, March 9 (ANP).—Jesse Binga, former president of the now defunct Binga State Bank, was arrested here Thursday charged with embezzlement of some $300,000 from the institution which he headed.

The probable arrest of Mr. Binga has been rumored ever since the closing of the bank. Warrants were reported to have been gotten out for him on various charges. Reports that he could not be found and that he was in a local hospital were circulated along with the story that he had transferred all of his "earthly belongings" to his wife, who, according to reports, was rich in her own right.

Thursday, however, rumors of arrest became a fact when Deputy Sheriffs Rallihan and Feeney, lay in wait for the banker at his home, 5922 South Parkway, and took him into custody. He was rushed to the Cook county jail and bond was set at $55,000.

Along with Mr. Binga, four of his former employees were taken into custody and charged with embezzlement. They were: Miss Inez Canty, secretary to Mr. Binga, who according to members of the board of directors passed on loans in Mr. Binga's absence; Harry Scott, chauffeur and "right hand man of Mr. Binga"; Thomas R. Webb, a director and former auditor of the Pullman Porters' Benevolent Association, and De Witt Curtiss, who was vault custodian and floor walker when the bank was in operation.

Binga is said to have had the four employees indicted with him sign notes when they had no financial responsibility. The money secured on the notes was used to put through his numerous real estate transactions. The employees are accused of conspiracy.

So much of the institution's money became tied up in these operations, together with other frozen assets, that it was forced to close. When the bank suspended it had deposits of $1,280,000.

Since the closing of the Binga State Bank, which caused a financial crisis on the Southside of Chicago, several reports have been circulated that the institution would be reopened, but as yet there have not materialized. The latest was circulated during the pre-primary days but depositors had been fooled so often that they considered this as a political gesture.

Mr. Binga, according to friends, has been in the hospital for months. His arrest was effected when the officers waited at his house for the doctor to come who was attending him. The doctor, says the story, arrived, rang the door-bell and was admitted. The officers went in behind him and placed Binga under arrest. When he could not make the $10,000 bail on one of the embezzlement charges, he was held in the jail hospital overnight.

EMBEZZLED $300,000 OF FUNDS, IS JAILED

Courier
3-14-31
Pittsburgh, Pa.

Secretary, Director, Chauffeur and Binga State Bank Guard Also Indicted.

B-U-L-L-E-T-I-N!

CHICAGO, Mar. 12.—Unable to raise his bond of $55,000, Jesse Binga, a sick man, is still languishing in the county jail here.

Capiases for the arrest of his four employees had not been served at press time.

CHICAGO, Mar. 12—(ANP)—Jesse Binga, former president of the defunct Binga State Bank, was arrested here Thursday, charged with embezzlement of some $300,000 from the institution which he headed.

The probable arrest of Mr. Binga has been rumored ever since the close of the bank. Warrants were reported to have been gotten out for him on various charges. Reports that he could not be found and that he was in a local hospital were circulated along with the story that he had transferred all of "earthly belongings" to his wife, who according to reports was rich in her own right.

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So much of the institution's money became tied up in these operations together with other frozen assets, that it was forced to close. When the bank suspended it has deposits of $1,280,000. It was organized as a state bank in 1920.

Since the closing of the Binga State Bank, which caused a financial crisis on the Southside of Chicago, several reports have been circulated that the institution would be reopened, but as yet there have not materialized. The latest was circulated during the pre-primary days but depositors had been fooled so often that they considered this as political gesture.

Mr. Binga, according to friends, has been ill in the hospital for months. His arrest was effected when the officers waited at his house for the doctor to come who was attending him. The doctor arrived, says the story, rang the doorbell and was admitted and along with the physician, went the officers and the banker, ofttimes declared to be Chicago's richest Negro, was placed under arrest and when he could not make the $10,000 bail on one of the embezzlement charges, was held in the jail hospital over night.

Banks - 1931

Kentucky

Merged Banks in Louisville Open

afro-American
1-31-31

(Special to the AFRO-AMERICAN)
By LEE L. BROWN

LOUISVILLE, Ky. — After being closed since November 17, the First Standard and the American Mutual banks merged into the Mutual Standard Bank and threw open the doors last Tuesday morning. The expected run on the bank did not materialize.

At the end of the second day nearly $10,000 had been received in new deposits. There were a few withdrawals.

W. H. Spradling was elected as president, and two former presidents, Joseph Ray and J. O. Blanton, were elected as vice-presidents in charge of affairs.

Several white b[illegible]at closed at the same time ha[illegible]opened

Friday, [illegible]

Louisville—Mutual Standard Bank, 608 West Walnut Street, merger of two Negro institutions, First Standard Bank and American Mutual Savings Bank, opened for business.

MERGED BANKS IN LOUISVILLE CLOSE DOORS

Afro-American

Mutual Standard Goes in Hands of Banking Commission.

5-16-31

HAD $800,000

Baltimore, Md.

Steady Withdrawals, No Deposits, is Cause.

LOUISVILLE, Ky. — The Mutual Standard Bank collapsed here when it failed to meet the day's clearing house accounts and was closed by the State Bank Commission for liquidation, Friday.

The economic depression, steady withdrawals with no deposits coming in, was blamed by officials of the bank for the crash.

Failure Causes Gloom

The closing of the institution caused a pall of gloom to settle over the colored business district, although many knew the bank was fighting with its back against the wall.

The Mutual Standard Bank, which was a merger of the First Standard Savings Bank and the American Mutual Savings Bank, opened its doors in January after the two institutions had been closed since November 17 of last year.

The first closing of the two banks in November followed the financial storm which caused three of Louisville's largest white banks to suspend business. Both banks cleared through two of the suspended white institutions and closed their doors voluntarily when a run impended.

At that time, Joseph Ray and J. O. Blanton, presidents of the two institutions, stated that they had closed to conserve their funds and plans for reopening were started at once.

Merger Started

Before the end of the year plans for the merger were announced and with W. H. Spradling elected as president, and Ray and Blanton, vice-presidents, the new institution opened its doors. On the second day of the opening more than $10,000 was deposited.

These deposits, however, began to decrease and withdrawals became heavier and heavier until on Friday the bank was not able to meet clearance on the checks which were drawn against it.

Business Hard Hit

Because of the loyal support given the merged institution, business concerns, churches and fraternal organizations have been hard hit by the closing of the institution. Officials say that while there were weekly deposits of about $28,000 the withdrawals amounted to $35,000, made largely by those who purchased bungalows when these banks conducted a home buying campaign some time ago.

How seriously individuals were affected was shown when one of the large churches made an appeal for a collection to relieve suffering of some of those whose funds were tied up by the crash. The pastor of this church told his congregation that he, himself, had but $1.31 left, having made a good sized deposit shortly before the bank closed.

Race Fans in Panic

Due to the fact that the great American race classic, the Derby, is to be run here Saturday, the racing fraternity is in a panic, as many of them will not have funds to place on their favorite horses. The general "numbers" and other gambling groups are also hard hit.

Information coming from reliable sources is to the effect that depositors will eventually get every dollar due them as the directors of the concern are well to do men and will have to become responsible for the assets of the institution.

POSTS BIG BOND

JOHN O. BLANTON
Vice-President of the closed Mutual Standard Bank of Louisville, Ky., who was appointed by Governor Sampson as liquidating agent. Mr. Blanton posted bond of $350,000.

Courier-Journal 7-1-31
Pittsburgh Pa.

BLANTON TO LIQUIDATE KY. BANK

Courier-Journal 7-1-31
Pittsburgh Pa.

FRANKFORT, Ky., July 1.—Governor Flem D. Sampson last Tuesday appointed John Oliver Blanton, former president of the American Mutual Savings Bank of Louisville, and a vice president of the recently closed Mutual Standard Bank, which was formed by merging the American Mutual with the First Standard Bank to liquidate the bank which closed May 7. The governor made the appointment after a conference with the banking commissioner. Mr. Blanton made bond as liquidating agent for $350,000.

Banks-1931

Massachusetts.

INDUSTRIAL BANK LIKELY TO REOPEN

Guardian

DEPOSITORS' COMMITTEE, BASIL F. HUTCHINS A MEMBER, AND OFFICERS GET TOGETHER ON PROMISING PLANS — ADVISE DEPOSITORS.

5-3-31

Boston, Mass

An agreement was reached Monday night by the Depositors Protective Committee of the Industrial Bank & Trust Company, recently closed by order of Bank Commissioner Guy, whereby the committee and the officials of the bank will co-operate on a plan that promises a strong probability that the bank will be reopened within a reasonably short time.

The consummation of plans for refinancing the bank was announced by Thomas A.Hunter, wellknown Codman square business man, chairman of the depositors' committee. The directors had recommended that the depositors be called upon to raise $400,000 for the purchase of stock as a means of refinancing the bank, equal to about 25 per cent of the deposits of the 8000 depositors. The committee considered the plan and voted strongly in favor of adopting it.

The committee will now devote itself to the raising of the fund by this means. On the committee are a number of Codman Square and South End business men. This is the only means whereby depositors may hope to retrieve the aggregate of their deposits, now held in the bank, within a short time.

Depositors are urged to get in touch with the committee working on the project at the temporary office now open, within a few doors of the Codman Square branch of the bank.

Committee Endorses Plan

We believe this is the only plan whereby depositors can be assured of receiving 100 cents on the dollar.

This majority of the committee urges all depositors to call at the reorganization headquarters 582 Washington Street, Dorchester, for the purpose of effecting this plan and reopening the bank.

Signed by: Thomas A. Hunter, Chairman, W. Allen Hamilton, Thomas I. Hartley, Nicolo Carbone, Basil Hutchins, A. W. Anderson, J. Frank Dunleavey.

Attest: Wm. H. Kenyon, Sec.

Banks-1931

PRESIDENT R.R. WRIGHT PREDICTS FINE MEET

Courier

PHILADELPHIA, July 30—Philadelphia business circles are rapidly laying plans to make the seventh annual meeting of the National Negro Bankers Association, to be held here September 24-25, the greatest in the history of the organization, according to Major R. R. Wright, founder and for the past six years president of the organization, and founder and president of the Citizens & Southern Bank and Trust Company, the only Negro bank in Philadelphia, 19th and South streets.

Pittsburgh Courier 8-1-31

Major Wright, in an interview last Saturday at his office, called a long list of white banks, with resources in the millions, that have contributed to the entertainment fund for the Negro bankers and are cooperating to make the meeting a success. Among the banks listed were the Girard Trust Company, Integrity Trust Company, Northern Trust Company, Philadelphia Saving Fund Societl, Provident Trust Company, Tradesmens National Bank & Trust Company, Corn Exchange National Bank and Trust Company, Broad Street Trust Company, Roosevelt Bank, Parkway Trust Company, Real Estate Trust Company, Commercial National Bank & Trust Copany, Real Estate-Land Title & Trust, First Penny Savings Bank, Fidelity-Philadelphia Trust Company.

This is the blue ribbon list of the largest banks in the Third Federal Reserve District—George W. Norris governor. Charles Lynn Chandler, manager of the Foreign and Domestic Commerce departent of the Corn Exchange Nattional Bank, has consented to address the Negro bankers on "The Contribution of the Negro to American Banking." Mr. Chandler was referred to Major Wright by his president, Charles S. Calwell.

The colored business enterprises are taking an active interest in the coming of the bankers to Philadelphia. The meetings are scheduled to be held in the Pythian Temple, 19th and Addison streets, of which B. G. Collier is head. In addition to the cooperation of the Pythians, other businesses are giving their support.

The September meeting will mark the second time the bankers will have met in Philadelphia. The first was in 1926, the year the organization was organized and the year of the first meeting. Invitations are out to Governor Gifford Pinchot of Pennsylvania and to Dr. William D. Gordon, state secretary of banking, to deliver addresses before the body. Other prominent speakers will address the group.

In reviewing the work of the organization, Major Wright said: "Our people should not lose confidence in their banks. eW have had a very critical year, but on the whole, the colored bankers have shown themselves just as capable of conducting their own people that has been lost lines as the white bankers. There have been some failures among us, but there have been more failures among the whites. I do not say we are better than other people, but I do say we are just as good. We can run a safe business just as good as a white man. We can run a bank just as good as a white man. Our people have lost more money in white banks than in Negro banks. If Negro banks had the money of theier own people that has been lost in white banks, the race would be much better off. Yet many of our people will not put their money in a colored bank, and turn right around and lose it in a white bank. We have seen that done in a big way here in Philadelphia. The Citizens & Southern Bank, of which I am president, has paid off all depositors as they came for their money for over 11 years, and some Negroes who laughed at us because we were colored lost all they had in some of the white banks that failed. This is not said in a vindicative spirit. It is said to point out to our people that there are those among us who know how to operate a business, and when competent business men are found in our own race—when they prove themselves — they should be given the patronage of the race. This is true wherever there are Negro banks. There are good and bad among us, as there are good and bad among all people. What we must do is have confidence in each other and patronize each other. That is the only way we can build up a strong banking business, or any other kind of business."

Delegates To Bankers Ass'n To Get Free Board

Courier

Baltimore Afro

PHILADELPHIA, Sept. 3—The delegates to the seventh annual meeting of the National Negro Bankers Association, to be held here September 24-25, will get their room and board free, according to announcement by Major R. R. Wright, president and founder of the organization, and president of the Citizens and Southern Bank and Trust Company, 1849 South street. Major Wright said the room and board of the delegates will be paid for by the finance committee of his bank, of which William Newman is chairman, and other members are J. H. Irvin, secretary, and R. R. Wright, Jr. All that will be necessary, said Major Wright, will be for delegates on arriving in the city, to get in touch with him and he will tell them where they are to stay and take their meals.

NEGRO BANKERS IN ANNUAL MEET IN QUAKER CITY

Herald-Courier-Amsterdam

Philadelphia—(CNS) —Representatives of over 21 millians of Negro capital represented in the person of the members of the National Negro Bankers Association met here last week to hold the seventh annual session of the group. Major R. R. Wright, dean of Negro bankers, and president of the Association, presided at the meeting of the convention.

10-3-31

Many phases of banking were discussed by the group. The Citizens and Southern Bank here acted as host to the convention. Among those who led discussions on banking yere, Emmett C. Burke, president of the Consolidated Bank and Trust Company of Richmond, Va.; J. H. Ridley, cahsier of the Crown Savings Bank of Newport News, Va.; C. C. Huitt, president of the Dunbar National Bank of New York; W. L. Carter, cashier of the Industrial Savings Bank of Washington, C. C. Spaulding, president of the Mechanes and Farmers Banks of Durham; Coloned A. T. Walden, president of the Citizens' Trust Company of Atlanta; and Anthony Overton, president of the Douglass National Bank of Chicago.

Baltimore Afro

Morton J. Klank, vice-president of the Commercial National Bank of this city spoke to the assembled group on "Possibility for Banking by Colored People as Viewed by Others in the Banking Line." In speaking before the group, Major Wright stressed among other things the need for new blood in Negro banks as being the only sure road to success.

Banks-1931

RACE BANKERS VISIT N. Y. STOCK EXCHANGE

Courier 10-3-31 Pittsburgh Pa.

NEW YORK, Oct. 1—For the first time in history, a delegation of Negro financial experts visited the New York Stock Exchange last Saturday morning as the closing act of the seventh annual meeting of the National Negro Bankers Association, held Thursday and Friday in Philadelphia. Led by Major R. R. Wright, founder, and re-elected president for the seventh time, and founder and president of the Citizens & Southern Bank and Trust Company of Philadelphia, the delegation left Philadelphia by motor at 6 a. m. Saturday and arrived on the floor of the exchange shortly after 10 o'clock. They remained until 11:30, spending more than an hour in the gallery, observing the trading. Accompanying Major Wright were C. C. Spaulding, president of the Mechanics & Farmers Bank, Durham, N. C., and treasurer of the association; M. C. Martin, cashier of the Danville Savings Bank & Trust Company, and secretary of the association; Mrs. Maggie L. Walker, chairman of the board of the Consolidated Bank & Trust Company, Richmond, Va.; Walter C. Beckett, director of Major Wright's bank; Jesse H. Mitchell, director of the Industrial Bank, Washington, D. C., and personal representative of W. H. C. Brown, president of the bank, at the association meeting; W. T. Winslow, executive vice president of the Danville bank; Mrs. Lillian Basley and Mrs. Payne, directors of the Consolidated bank, accompanying Mrs. Walker.

After the visit to the exchange the group visited the Dunbar National Bank and was shown through the entire workings of the bank by President Charles C. Huitt.

The seventh annual meeting of the association opened Thursday at the Y. M. C. A., Philadelphia.

The evening welcome meeting at Tindley Temple was addressed by Rev. James E. Kirkland, Mayor Harry A. Mackey, Henry R. Knowles, deputy secretary of banking, representing Governor Pinchot; Judge Edward W. Henry, Dr. John M. Marquess, C. C. Spaulding and William Richm, president of the Metropolitan Bank & Trust Company of Norfolk. Albon L. Holsey, secretary of the National Negro Business League, spoke on "The Value of Negro Banks to C. M. A. Stores," and Major Wright delivered his annual address, in which he said: "We must unite all the Negro banks in the country to restore confidence in our people. No bank can stand alone. We want all the banks owned, managed or controlled by Negroes in our association. Our membership represents at present 31 banks, but there are others which should join us. The failure of any bank is a menace to all banks, whether those banks are managed by one group or another. Our banks must live and help our depositors to live. We need to learn from each other how not to fail and how, with safety, to continue to foster business. Today it is more difficult than ever to keep a bank steady and liquid. I repeat, the confidence of the people is the bedrock of bank success."

Friday evening, at the Union Baptist Church, 19th and Fitzwater streets, Dr. R. R. Wright, representing the Citizens & Southern Bank, spoke on "Should the Colored People Support a Negro Bank?" Dr. W. E. B. DuBois, editor of The Crisis, who attended the association for the first time, spoke on "The Negro Bank."

Banks-1931

New York.

Colored Clerks And Tellers Will Reopen Chelsea Bank

NEW YORK CITY, May 6.—Negro paying and receiving tellers and clerks will be behind the cages of the new Mercantile Bank and Trust Company in the Harlem office, 200 West 135th street, when the bank reopens the closed Chelsea Bank and Trust Company someting before May 15. This was the opinion expressed Friday evening to an audience of business men at the Association of Trade and commerce by Charles G. Rapp, vice-president of the old Chelsea Bank who is now assisting the State Banking Department in getting the affairs of the bank straightened out.

While the announcement elicited much comment among the listeners, yet it was expected that the Mercantile Bank would employ more Negroes than Chelsea previously had because of the all Negro staff employed at the Dunbar National Bank.

It is reported that in an effort to secure experienced Negro tellers, officials of the bank have canvassed various business offices in Harlem with the purpose of finding out whether or not there were any former bank clerks among them. It is known that several Negro college graduates have applied for work at the Mercantile Bank and that some of them will be employed in minor capacities until they become experienced enough to take care of the work behind the cages.

While no information was forthcoming from officers of the new bank, it is expected that Charles G. Rapp, vice-president of Chelsea, who served in the Harlem branch for 20 years before his promotion to a higher post in another branch, will be back in the West 135th street branch in the capacity of manager.

Negro Clerks and Tellers To Be Employed When Old Chelsea Bank Reopens This Month

Negro paying and receiving tellers and clerks will be behind the cages of the new Mercantile Bank and Trust Company in the Harlem office, 200 West 135th street, when the bank reopens the closed Chelsea Bank and Trust Company sometime before May 15. This was the opinion expressed Friday evening to an audience of business men at the Association of Trade and Commerce by Charles G. Rapp, vice-president of the old Chelsea Bank who is now assisting the State Banking Department in getting the affairs of the bank straightened out.

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ALEX HAMILTON'S GREAT GRANDSON A BANK TELLER

(Special to the AFRO)

NEW YORK.—Robert Hamilton Jr., great-grandson of Alexander Hamilton, first secretary of the U.S. treasury, was the first colored bank teller appointed to serve in the Harlem branch of the Mercantile Bank and Trust Company, Seventh Avenue at 135th Street.

Teller Hamilton's father, Robert Hamilton Sr., said to have been a grandson of the great Federalist, Alexander Hamilton, recently died in Brooklyn at the ripe age of eighty.

When the Chelsea Bank's door was closed two days before last Christmas, spreading gloom throughout Harlem, the clerks and tellers were all white.

When it was reopened last June as the Mercantile Trust, following agitation for colored attaches at the Harlem branch, Robert Hamilton Jr., was appointed and assigned to a teller's window, where he still holds forth, a fitting assignment to the colored great-grandson of the first U. S. Treasury Secretary whom many thought a white man, but who actually was a mulatto. The first Hamilton was a favorite of George Washington during the Revolutionary War, under whom he served as general, which rank he reached by promotions from lieutenant colonel.

Banks-1931

North Carolina.

DEPOSIT YOUR FUNDS IN A BIG,
STRONG BANK

Union Reformer
4-11-31

MECHANICS AND FARMERS BANK

Raleigh N.C.

DURHAM and RALEIGH

C. C. SPAULDING, President

Banks-1931

99 PER CENT OF DEPOSITORS SIGN THE AGREEMENT

Journal & Guide

Wm. M. Rich Unanimously Reelected President

Norfolk Va.

O. K. GIVEN PLANS

3 Women Fraterna Leaders On Board Of Directors

7-11-31

Tuesday, July 14th, has been se by the directors of Metropolita Bank & Trust Company as the da for the bank's reopening. Word wa received from Richmond that th State Corporation Commission ha approved plans for the reopening an had granted an amendment to th bank's charter increasing its autho ized minimum capital from $10,00 to $50,000 and reducing its actual issued and outstanding capital stoc from $55,000 to $5,000 by reducin the par value of shares from $50 t $5.00.

The reorganization was perfected last Tuesday afternoon and upon th financial set-up made possible by th signing of the depositors agreeme by more than ninety-nine per ce of the institution's former patrons.

Lee Is Sec'y.-Treas.

In the reorganization scheme Wi liam M. Rich, who has been connect with the bank for nearly twenty yea was unanimously chosen presider Vice presidents elected were Mrs. A. Ward, Col. R. T. Stewart, and Geor W. Milner. Abner E. Lee was retai ed as secretary-treasurer.

An executive committee of nine pe sons was appointed by vote of t board to attend to the daily detai of the bank's direction. Two min ters, two physicians, one lawyer, a four business men were the on chosen for this task. They are Re O. J. Allen and Richard H. Bowli Doctors D. W. Byrd and A. J. Stro Attorney Walter L. Davis, and J. Brooks, C. C. Dogan, J. H. Hale a William M. Rich.

Final Meeting Friday

A well received partial report of n gotiations for the bank's reopeni was made by Mr. Rich. He decla he had every reason to believe t reorganized institution's future su cess was assured. He attached mu importance, however, to the final m meeting of depositors which will held at the St. John's A. M. E. Chur Friday evening, July 10, at 8 o'clo At this time a final report is expect from the appraisers and the ban ing department.

This closing meeting of the depo itors will determine very largely as whether the present plans of the rectors can be consummated. M. Bristow, chief banking examiner Virginia is expected to be present well as the receiver, Attorney Willis Fentress who has been administeri the bank's affairs during the past months. Other speakers will inclu some of the leading white and color citizens of this city and vicinity.

Board of Directors

The following list of persons we chosen directors for the reorganiz bank at a recent meeting of the stoc holders of record: Rev. O. J. All Edward R. Archer, Thomas S. Bagna Zeno Barnhill, Richard H. Bowlin J. C. Brooks, R. J. Brown, Abram Buck, D. W. Byrd, S. F. Coppage, J. E. Crawley, Walter L. Davis, M Beulah Dodson, C. C. Dogan, Geo W. Foreman, W. W. Foreman, G. Ha ilton-Francis, J. T. Givens, J. Ho ard Hale, Edward Irby, J. Y. Johnso Mrs. Emma V. Kelley, Abner E. L C. P. Madison, W. T. Mason, Geo W. Miller, S. I. Moone, Edward Murray, William M. Rich, Charles Riddick, Col. R. T. Stewart, A. Strong, Gordon L. Taylor, W. H. Tho ogood, and Mrs. A. M. Ward.

Three Women Directors

An innovation in the selection directors was the inclusion of thr women, each of them prominent the fraternal life of the city. On ten members of the old board were tained, in order to make room twenty-five "new" people; that is, pe sons who had had no former offic connection with the bank. As far possible every effort was made to ha the board representative of all denor inations, of the professions, of frate nal and labor organizations, and of t citizenship generally.

Enthusiastic talks were made by Me dames Emma V. Kelley and Beul Dodson, Rev. O. J. Allen, Drs. Edwa W. Murray, D. W. Byrd and S. I. Moo and W. H. Thorogood, Abner E. Lee, a C. C. Dogan. Rev. Dr. Allen declar he would like to be assured of t opening date, so that he might line two hundred members of his church make deposits. It was also report that one of the city's lodges voted make an initial deposit of nearly thousand dollars.

Institute Once In Hands Of Receivers, Stages A Grand Comeback

Journal & Guide

FIRST NORFOLK BANK TO REOPEN

norfolk, Va

New Accounts Opened, Old Ones Revived, Stock Bought

7-11-31

Approximately $10,000 was deposited and not a single withdrawal made as Metropolitan Bank and Trust Company reclaimed its place in the uptown business structure Tuesday, the first day of activity since receivership was formally vacated Friday by decree of Judge Allan R. Hanckel in City Circuit Court.

Receiver Willis V. Fentress, white, turned over the keys of the bank to William M. Rich, president, Tuesday morning and the institution which has been closed since early in January reopened in a proverbial blaze of glory.

Hundreds of white and colored citizens visited the bank during the day and participated in the auspicious reopening. Although it officially began business at 10 a. m., Secretary-Treasurer Abner E. Lee reported that he was obliged to accept over $3,000 in deposits before 9:30.

First Bank to Reopen in Norfolk

Numerous floral tributes and telegrams and letters of congratulation were received Tuesday. The three women vice presidents, Mrs. A. M. Ward, Mrs. Emma V. Kelley and Mrs. Beulah Dodson were present in the lobby all day and assisted customers in making deposit slips.

Metropolitan is the first bank in Norfolk to reopen after having been closed. Mr. Rich, the president, said Tuesday:

"I feel the success of the bank is assured. Although it has gone thru a temporary receivership in reorganization, it has been put on a much stronger foundation by reason of the fact that there has been an addition of new capital and the bringing to the board of directors many leading men and women of the community."

Metropolitan Bank has 4500 stockholders who have paid up in cash $100,000 in capital. It has a surplus of $10,000 and more than $200,000 on deposit, with total resources of more than $310,000.

Religious services inaugurated the reopening. Leading ministers of the city participated. Rev. O. J. Allen led singing and Rev. C. P. Madison led in prayer.

Walter L. Davis represented the bank in all legal matters during its period of reorganization.

Many have purchased stock in the revived institution. Among the prominent white citizens who are now stockholders are Congressman Menalcus Lankford of Virginia, A Lee Rawlings, president of A. Lee Rawlings and Co., certified public accountants, and Louis I. Jaffe, editor of the Virginian Pilot.

Rev. D. W. Baker prominent minister of Wytheville, Va., wrote Mr. Rich asking the method to pursue in obtaining stock. He stated that several citizens of Wytheville have expressed their desire to become stockholders.

Many Buy Stock

Others who already have signed away part of their stock as a reorganization necessity came into the bank to increase their percentage given up or to purchase more stock. J. E. Crawley, a Smithfield merchant, purchased $500 worth Tuesday.

James R. Gill, 1614 Church Street, was the first depositor in the reorganized institution. He was at the doors waiting before 8:30 Tuesday morning. Gill is superintendent of property for the United Order of Tents.

Among the white citizens who visited the bank on its first day were H. M. Kerr, a former banker, and receiver for the Guarantee Title and Trust Company, A. Lee Rawlings, Willis V. Fentress and E. Bruce Parker, attorney for Receiver Fentress.

Among the depositors were Christmas savers who made additions to their accounts. Mr. Rich stated that all members of the Christmas savings club would be able to continue their accounts where they left off, and that payments will be made in November.

Flowers were sent by Newton's the florist, the firm of Swink and Fentress, the firm of Foreman, Pender, Parker and Dyer, Mrs. Emma V. Kelley, Mrs. Clara Holland, Mrs. Caroline Washington, Mrs. Mary Wright Ruffin, Mrs. Beulah Dodson and others.

Nation Congratulates

Congratulatory telegrams were received from the Consolidated Bank and Trust Company of Richmond of which Emmett C. Burke is president; Major R. R. Wright, Sr., president of Citizens and Southern Bank and Trust Co., Philadelphia; W. H. C. Brown of Washington; the Prudential Bank of Washington of which John R. Hawkins is president and Edward Baker is cashier.

Formal announcement that the receivership had been lifted was made Friday night at a mass meeting in St. John's A. M. E. Church by M. E. Bristow, chief bank examiner of Virginia.

Following speeches by U. S. Representative Manalcus Lankford of Virginia, A. Lee Rawlings, president of A. Lee Rawlings and Co., certified public accountants, P. B. Young, editor of the Journal and Guide; Willis V. Fentress, receiver for the bank, and Rev. H. H. Covington, white, rector of St. Paul's P. E. Church, the huge gathering cheered William M. Rich for two minutes when he was introduced.

Mr. Rich, president of the institution, has been in the banking business for 22 years, working his way up from ler to president. He thanked the people of Norfolk for their expression of confidence and pledged the utmost of his energies and ability in making the bank a success.

Officers Presented

Rev. Richard H. Bowling, pastor of First Baptist Church, and chairman of the reorganization committee, presented the officers and directors and read numerous letters and telegrams and congratulations.

Other officers besides Mr. Rich are: Mrs. A. M. Ward, Col. R. T. Stewart and George W. Milner, vice presidents;

Abner E. Lee, secretary-treasurer; Rev. O. J. Allen, Rev. Bowling, Dr. D. W. Byrd, Dr. A. J. Strong, Atty. Walter L. Davis, J. C. Brooks, C. C. Dogan, J. H. Hale and Mr. Rich, members of the executive committee.

The following are directors: Rev. O. J. Allen, Edward R. Archer, Thomas S. Bagnell, Zeno Barnhill, Rev. Richard H. Bowling, J. C. Brooks, Dr. R. J. Brown, Dr. Abram H. Buck, Dr. D. W. Byrd, Dr. S. F. Coppage, J. E. Crawley, Atty. Walter L. Davis, Mrs. Beulah Dodson, C. C. Dogan, George W. Foreman, Atty. W. W. Foreman, Dr. G. Hamilton Francis, Dr. J. T. Given, J. Howard Hale, Edward Irby, J. Y. Johnson, Mrs. Emma V. Kelly, Abner E. Lee, Rev. C. P. Madison, W. T. Mason, George W. Milner, Dr. S. I. Moone, Dr. Edward W. Murray, William M. Rich, Charles H. Riddick, Col. R. T. Stewart, Dr. A. J. Strong, Gordon L. Taylor, W. H. Thorogood and Mrs. A. M. Ward.

Confidence Expressed

Mr. Bristow in his speech expressed confidence in the new executive officers and board and pledged such cooperation as his department could give officially.

Representative Lankford congratulated bank officials and the community upon the successful reorganization and reopening of the institution. He strongly urged united support. "What we need in this community," he declared, "is more confidence in ourselves and in each other."

Mr. Rawlings spoke of the high integrity of Mr. Rich and other officers of the bank. He said that an exhaustive audit disclosed that there was absolutely nothing dishonest about the bank's transactions which caused suspicion, and that the institution was gradually caught in the vortex that carried down so many others. He said it was now thoroughly rehabilitated and on a sound basis, and urged support of it.

Mr. Young declared that the reopening of the bank had proved that Norfolk had lots of reserve power which had been expressed in confidence, faith and determination. "Norfolk," he said, "is not bankrupt in either material or spiritual values." He paid high compliment to Rev. Mr. Bowling for having carried through successfully the reorganization plan, and referred to Mr. Rich as a man whose 22-year record in the bank was without even a suspicion of a blemish.

Bank Needed, Says Fentress

Mr. Fentress expressed the highest confidence in the integrity of the officers and directors and their ability to take the rehabilitated institution and carry it on successfully. His experience, he declared, had convinced him that colored Norfolk needed a bank and was able to successfully support one.

Metropolitan Bank has been closed since January 6 when it voluntarily suspended business to protect its depositors, following large depreciation in its property and fixtures, as assessed by the State Banking Department.

It is an outgrowth of the Brown Savings Bank which started 22 years ago. It also merged with the Tidewater Bank and Trust Company about eight years ago.

NORFOLK BANK REORGANIZES TO OPEN DOORS

Afro-American

Receivership of Metropolitan Bank & Trust Company Vacated

Baltimore, Md

OFFICERS PRAISED

7-18-31

Confidence in Personnel Expressed.

NORFOLK, Va.— Receivership of the Metropolitan Bank and Trust Company was vacated Friday afternoon by decree of Judge Allan R. Hanckel in City Circuit Court.

Formal announcement that the bank had fully met requirements of the State Banking Department in executing its re-organization plan was made by M. E. Bristow, chief bank examiner of Virginia, at a mass meeting Friday in St. John's A.M.E Church.

Much Applause

Following speeches by U.S. Representative Menalcus of Virginia, A Lee Rawlings, president of A. Lee Rawlings and Co., certified public accountants; P. B. Young, editor of the Journal and Guide; Willis V. Fentress, receiver for the bank, and the Rev. H. H. Covington, white, rector of St. Paul's P.E. Church, the huge gathering cheered William M. Rich for two minutes when he was introduced.

Mr. Rich, president of the institution, hase been in the banking business for 22 years, working his way up from teller to president. He thanked the people of Norfolk for their expression of confidence and pledged the utmost of his energies and ability in making the bank a success.

Subscribe for Stock

Several citizens at the close of the meeting gave subscriptions for stock in the Metropolitan Bank. The Rev. Richard H. Bowling, pastor of First Baptist Church, and chairman of the re-organization committee, presented the officers and directors and read numerous letters and telegrams of congratulations.

Other officers besides Mr. Rich are: Mrs. A. M. Ward, Col. R. T. Stewart and George W. Milner, vice presidents; Abner E. Lee, secretary-treasurer; the Rev. O. J. Allen, the Rev. Bowling, Dr. D. W. Byrd, Dr. A. J. Strong, Walter L. Davis, attorney; J. C. Brooks, C. C. Dogan, J. H. Hale and Mr. Rich, members of the executive committee.

The following are directors: the Rev. O. J. Allen, Edward R. Archer, Thomas S. Bagnall, Zeno Barnhill, the Rev. Richard H. Bowling, J. C. Brooks, Dr. R. J. Brown, Dr. Abram H. Buck, Dr. D. W. Byrd, Dr. S. F. Coppage, J. E. Crawley, Walter L. Davis, attorney; Dr. G. Hamilton Francis, Dt. J. T. Givens, J. Howard Hale, Edward Irby, J. Y. Johnson, Mrs. Emma V. Kelly, Abner E. Lee, the Rev. C. P. Madison, W. T. Mason, George W. Milner, Dr. S. I. Moone, Dr. Edward W. Murray, William M. Rich, Charles H. Riddick, Col. R. T. Stewart, Dr. A. J. Strong, Gordon L. Taylor, W. H. Thorogood, Mrs. Beulah Dodson, C. C. Dogan, George W. Foreman, W. W. Foreman, attorney, and Mrs. A. M. Ward.

Mr. Bristow in his speech expressed confidence in the new executive officers and board and pledged such co-operation as his department could give officially.

More Confidence

Representative Lankford congratulated bank officials and the community upon the successful re-organization and re-opening of the institution. He strongly urged united support. "What we need in this community," he declared, "is more confidence in ourselves and in each other."

Mr. Rawlings spoke of the high integrity of Mr. Rich and other officers of the bank. He said that an exhaustive audit disclosed that there was absolutely nothing dishonest about the bank's transactions which caused suspicion, and that the institution was gradually caught in the vortex that carried down so many others. He said it was now thoroughly rehabilitated and on a sound basis, and urged support of it.

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Mr. Fentress expressed the highest confidence in the integrity of the officers and directors and their ability to take the rehabilitated institution and carry it on successfully. His experience, he declared, had convinced him that colored Norfolk needed a bank and was able successfully to support one.

The Metropolitan Bank was scheduled to re-open Tuesday, July 14, after having been closed since January 6, when it voluntarily suspended business to protect its depositors, following large depreciations in its property and fixtures, as assessed by the State Banking Department.

It is an outgrowth of the Brown Savings Bank which started 22 years ago. It also merged with the Tidewater Bank and Trust Company about eight years ago.

NORFOLK'S NEGRO BANK

In these times when there are apparently so many causes for unrest and distrust as far as Negro business insstitutions aer concerned it is refreshing to behold the spectacle of a Negro banking institution reopening its doors to do business after having voluntarily closed its doors to protect the interests of its depositors last January.

Palmetto Leader

That is what happened in Norfolk last week when the Metropolitan Bank and Trust Company reopened its doors after having been closed since January 6. It is said that on the opening day more than ten thousand dollars were deposited while not one cent was withdrawn.

7-25-31

But for the confidence of the Colored people of Norfolk in the integrity of those who had to do with the bank's management its doors would most likely have remained closed.

Columbia

An ideal community spirit was shown on the bank's reopening. In the Norfolk Journal and Guide of July 18 advertising space was taken by several business concerns to express their felicitations to the Metropolitan Banking interests on their keeping faith with the public.

The Palmetto Leader likewise felicitates this splendid institution for doing its bit that faith in the Negro's business integrity may yet be maintained.

We are happy in the thought—that our own Negro Bank—The Victory Savings—has stood up under the stress of economic depression, and has given its depositors every reason to believe in the soundness of its Board of Directors' Judgment. Though the path seems at times strewn with boulders of discouragement, progress is being made.

NORFOLK BANK DEPOSITS GROW

Afro-American

NORFOLK, Va. — Officials of the Metropolitan Bank and Trust Company, which recently re-opened for business, express themselves as being highly pleased with their first month's operation.

9-5-31

The entire uptown business and professional community responded to the appeal for renewal of their connections. Numbered among the hundreds of new depositors are Greeks, Jews, Gentile whites, Japanese, Chinese and Filipinos, as well as churches, lodges, business firms and individuals, have started new accounts.

Baltimore

"At the close of business one month from the day we opened," said William M. Rich, president, "the books revealed more than $14,000 new money on deposit with us, and this in a time when everybody is talking about money being scarce. Besides, we have been able to make quite a few conservative loans to patrons both new and old, while the institution's net earnings were best in several years. With such good will and co-operation as this shown during our first month under the re-organization, we see nothing but success ahead."

Banks- 1931

Burke New President; Harmony Prevails

Courier 9-5-31

RICHMOND, Va., Sept. 3.—Less than two years ago there were three banks controlled by Negroes in Richmond. Today there is only one, yet none of the banks failed. By skillful diplomacy, tact, rare business acument and the force of circumstances, the three banks now make up the Consolidated Bank & Trust Company, 329 North First street, which has resources of $839,711.87, more than double the resources of any one of the former individual banks.

How this merger was brought about that has set a wholesome example for Negro business everywhere and proved a fine, practical lesson in banking for all business, white and black, is a story that will go down in Negro business history, illustrating that Negroes can and will co-operate. On Nov. 3, 1903, the St. Luke Penny Savings Bank was opened for business at 900 St. James street. This bank was the brain child of Mrs. Maggie L. Walker, right worthy grand secretary-treasurer of the Independent Order of St. Luke. Mrs. Walker, thought, 28 years ago, that the St. Lukes should have a bank, so she organized a bank and it opened for business with herself as president and Emmett C. Burke as cashier. The very first day of business brought $9,500 in deposits. Although it had an authorized capital of $50,000, only $1,500 in capital was paid in, but in the years that followed the capital was fully paid and all of the $50,000 was returned to the stockholders in the form of dividends, while the stockholders still kept their stock. For over 20 years the bank maintained a consistent dividend record of 5 per cent without a break.

In 1920 the Second Street Savings Bank, 702 N. Second street, was organized, with John T. Taylor as president. About two years ago the president of that institution suffered a serious illness, similar to that suffered by the president of the St. Luke Bank. After the illness had been prolonged it was suggested among the directors that the bank unite with St. Luke. When the union took place Second Street had $27,000 paid in capital and $175,000 in resources. On Jan. 1, 1930, the Consolidated Bank & Trust Company was born of the union of St. Luke and Second Street.

Again, on Nov. 20, 1920, there was organized the Commercial Bank & Trust Company, 529 N. Second street, with an authorized capital of $250,000, but with a paid in capital of $100,000. T. C. Erwin was president for the first two years, after which he was succeeded by Attorney James T. Carter. This bank grew in resources to $400,000 and joined the Consolidated Bank & Trust Company last October. Out of the three banks came the following officers of the Consolidated Bank: Mrs. Maggie L. Walker, chairman of the board; John T. Taylor, vice chairman; Emmett C. Burke, president; Quinn Shelton, vice president; Attorney J. Thomas Hewin, vice president S. W. Robinson, Jr., vice president; James T. Carter, vice president; W. S. Banks, secretary-treasurer, and B. F. Kenny, assistant secretary-treasurer. From the St. Luke Bank came Mrs. Walker, Mr. Burke, Attorney Hewin and Mr. Robinson. From the Second Street Bank came Mr. Taylor, Mr. Shelton, Mr. Johnson and Mr. Banks. From the Commercial Bank came Attorney Carter and Mr. Kenny.

The long and consistent record of growth in the city of Richmond enjoyed by the old St. Luke Bank made it the logical institution to be the mother of the three banks. Mr. Burke's long and unbroken record of service as a banker made him the unanimous choice as the executive head of the combined institutions. As a result of the merger, the Consolidated Bank now stands in an enviable position of financial strength among all the banks of the city. The bank is a depository for the city, for gas and water bills, for school savings of the city, and has just concluded an agreement with the Chesapeake & Potomac Telephone Company to collect personal taxes for the city of Richmond and, as a result, not only has a large number of white people coming to the bank to pay taxes, gas and water bills, but has secured a large number of accounts from white people. The bank also acts as executor, trustee and guardian. At the close of business on June 30, last, its statement showed loans and discounts of $682,046.12, individual and bank deposits of $669,692.15; surplus, $50,000; undivided profits, $13,020.43, and capital stock, $80,000.

Both Mrs. Walker, the board chairman, and Mr. Burke, the president, are ardent supporters of the National Negro Bankers' Association. Mr. Burke is to be one of the principal speakers at the annual meeting of the association to be held in Philadelphia Sept. 24-25.

Banks-1931

Virginia

NORFOLK, VA. BANK FORCED TO CLOSE

Whip

NORFOLK, Va., Jan. 14.—ANP—Because of a loss of capital stock and surplus, the state banking department ordered the closing Monday of the 22-year-old Metropolitan Bank and Trust company here. This loss occurred because of a depreciation of investments and the heavy charge-off on the appraised value of the bank building, being sufficient to wipe out $55,000 in capital stock and a $32,000 surplus. The bank also had $25,000 worth of investments in the Guaranty Title and Trust company, which recently failed.

Reopening of the institution is now being planned by a reorganization committee and full payment on the deposits is anticipated.

There were thirty thousand dollars in cash in the vaults of the bank when it was closed.

RICHMOND BANKS MERGE

Courier

1-17-31

Pittsburgh, Pa.

RICHMOND, Va., Jan. 15—(By ANP)—With the merging on January 1st of the Commercial Bank and Trust Company with the Consolidated Bank and Trust Company, formerly the St. Luke's Bank and Trust Company, ends a ten-year d. n of banking originating in the minds of financially inclined persons a decade ago.

At the time of the organization of the bank, T. C. Ervin, a school teacher, was elected head of the bank, T. C. Ervin, a school teacher, was elected head of the bank. Stock was sold to those who cared to buy and a rosy future was predicted for the new bank.

All went well for a year or so when difficulties were encountered. Then the Southern Aid Insurance Company came to the aid of the institution and made it its depository, tiding it over in a period of stress.

Things went well for another period when times were good, but in a recent audit of the books, the State Banking Department issued the ultimatum, that the bank must either merge with the St. Luke's bank or close down. The firs. indication of what was coming came when the stockholder voted to reduce the capital stock of the bank.

Then the crisis followed. The insurance company was not able to continue its working with the bank at a time when help was needed most. Therefore, the merger. Only one employee of the Commercial was absorbed into the new institution, leaving some twelve or thirteen out of work. Many had been with the bank for eight or nine years.

RICHMOND, VA., BANKS MERGE

Dispatch 1-24-31

Chicago, Ill.

RICHMOND, Va., Jan. 23.—A plan which has been in the minds of Richmond bankers for ten years was culminated with the merging last week of the Commercial Bank and Trust company with the Consolidated Bank and Trust company, formerly St. Luke's Bank and Trust company.

At the time of the organization of the bank T. C. Ervin, a school teacher, was elected head of the bank. Stock was stold to those who cared to buy and a rosy future was predicted for the new bank.

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Things went well for another period when times were good, but in a recent audit of the books the state banking department issued the ultimatum that the bank must either merge with the S. Luke bank or close down. The first indication of what was coming came when the stockholders voted to reduce the capital stock of the bank.

Then the crisis followed. The insurance company was not able to continue its working with the bank at a time when help was needed most. Therefore the merger. Only one employee of the Commercial was absorbed into the new institution, leaving twelve or thirteen out of work. Many had been with the bank for eight or nine years.

The St. Luke institution has seen the Mechanics bank, the True Reformers bank, the Second St. bank and the Commercial bank rise and fall, absorbing the latter two.

COLORED BANKS IN RICHMOND CONSOLIDATED

Houston Informer

Richmond, Va.—(ANP)—With the merging on January 1, of the Commercial Bank and Trust Company with the Consolidated Bank and Trust Company, formerly the St. Luke's Bank and Trust Company, ends a ten-year dream of banking originating in the minds of financially inclined persons a decade ago. 1-31-31

At the time of the organization of the bank, T. C. Ervin, a school teacher, was elected head of the bank. Stock was sold to those who cared to buy and a rosy future was predicted for the new bank. Houston,

All went well for a year or so when difficulties were encountered. Then the Southern Aid Insurance Company came to the aid of the institution and made it its depository, tiding it over in a period of stress. Texas.

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The St. Luke's institution has seen the Mechanics Bank, the True Reformers Bank, the Second Street Bank and the Commercial Bank rise and fall. absorbing the latter two.

PHOENIX BANK FAILS TO OPEN DOORS FRIDAY

Bdmn, Md

Directors Voluntarily Ask Bank Examiner to Take Charge.

SUFFOLK, Va. — The Phoenix Bank, of Hausemond, failed to open its doors for business last Friday morning.

The following notice, signed by the president, J. W. Richardson, was posted:

"Be it resolved, that it is the sense of the board of directors of the Phoenix Bank of Hausemond, for the best interest of our depositors and to conserve our assets, the board of directors of this bank have placed its affairs in the hand of State Banking Department, pending the appointment of a receiver."

The institution has enjoyed ten years of public confidence which remains unimpaired. Its magnificent home in the heart of the business district on E. Washington Street, is valued at $30,000.

"In view of the economic depression which necessitated withdrawals by depositors and decreased the volume of deposits, the board of directors voluntarily placed the affairs of the bank in the hands of the Banking Department and requested the appointment of a receiver as a precautionary step to conserve assets," declared Robert Williams, one of the directors.

"I'm pleased to say," said this official, "that the bank examiners found our affairs in good shape and commended the action of the directorate We retain the confidence and good will of our friends and our people are appreciative of what we have done. The local banks are co-operating with us in the work of rehabilitation."

Other officers of the bank are: Miss Estella Pierce, cashier, and Mrs. G. Daniels, bookkeeper. On the board of directors were men long prominent in the business and professional life of the community.

SUFFOLK BANK FORCED TO CLOSE ITS DOORS

Journal & Guide

Depositors Promised Money In Full

Norfolk, Va.

SUFFOLK, Va.—Business depression and unemployment were listed as causing the closing last week of the Phoenix Bank of Nansemond, by John W. Richardson, president.

"The Phoenix Bank was closed by state bank examiners at the request of its directors," Mr. Richardson said. "Every depositor will receive his money in full. The bank has been forced to close on account of lack of business and not for any other reason.

"Its accounts are in good order and there is nothing out of order with its business affairs. It is just a matter of not being able to keep going at this time of business depression and unemployment."

Great personal sacrifices to keep the institution going as long as it has are said to have been made by its president and directors.

NORFOLK BANK REOPENING MOVE GIVEN IMPETUS

Journal & Guide

Stockholders Clear Way For Possible Reorganization

6-20-31

Norfolk, Va.

Eight hundred and ninety-two of the 1,100 outstanding shares of stock were represented in person or by proxy at a meeting of the stockholders of the closed Metropolitan Bank and Trust Co., Monday night, called to consider resolutions relative to the proposed reorganization of the institution.

Among the resolutions passed was one amending the charter so that the par value of the old stock was reduced from fifty dollars to five dollars per share. It was also voted to petition the State Corporation Commission for authority to issue and sell additional stock in the amount of $150,000.

The passing of these and other resolutions cleared the way for the bank's possible reorganization and reopening.

Rich Speaks

It was made plain to those present, however, that while the favorable vote given in this meeting removed some of the bars, the big condition was still to be met, namely, securing the signatures

of the remaining two hundred-odd non-signers of the Depositors' Agreement. These unsigned depositors control a little over eight thousand dollars of the total deposits.

William M. Rich, former president of the bank, presided at the meeting and set forth in detail the meaning of the proposed resolutions. Rev. R. H. Bowling, chairman of the reorganization committee, was present and answered questions raised by some of the stockholders regarding the progress of the reorganization plan.

Challenged to divulge the names of the non-signers he refused to do so, saying that the aim of the committee was not to force people into line but to persuade them in the name of community and racial progress and by convincing them of the reorganized bank's assurance of success.

George W. Milner, prominent local labor leader, received an enthusiastic response to his declaration that the plan had progressed too far toward actual reopening of the bank to allow any small group, moved by either short-sightedness or selfishness, to stand in the way. Others expressing similar views included George Ward, I. W. H. Guy, and Miss Pattie Austin.

Rev. F. W. Williams, a stockholder from Richmond, Va., and former pastor of the Queen Street Baptist Church of this city, made a convincing speech in favor of continuing the present effort toward reorganization.

He admonished his listeners to have faith in God and not to despair of being able to have Negroes pull together in a great cooperative enterprise. Said he, "All our folks need is a little more time to think the proposition over and a little more prayer on our part for God to soften their hearts."

The old stockholders will come together again in an adjournment of this meeting on Tuesday night, June 30. At that time they will consider the annual conference. Prominent social workers from various parts of the country were present at the meetings.

Because of the fact that the National Association of Probation Officers, the National Association of Settlement Workers, and several kindred organizations met in the twin-cities during the same period the Urban League met, and the added fact that this week will see the beginning of the meetings of the National Conference of Social Work, which annually attracts thousands of white and colored social workers from all over America, many individuals who otherwise would have been unable to attend the Urban League Conference were present.

L. Hollingsworth Wood, white, president of the National Urban League for the past 20 years, spoke at the big mass meeting last Thursday night. Eugene Kinckle Jones, frequently congratulated by his associates for his twenty years of service as executive secretary of the League, also spoke. The success and progress of the League are due largely to the genius of Jones and the loyalty of Wood.

W. H. Sargent, president of the St. Paul Urban League, and H. W. Rubins president of the Minneapolis Urban League, presided at the first sessions of the conference. "The Changing American Scene" was the topic for general discussion and S. Stuart Chapin, chairman of the department of sociology University of Pennsylvania, presented the general discussion.

Dr. A. Reid, director of the department of research and records of the League, discussed "The Negro Community—Its Changing Character." Reid brought out the following facts:

Illegitimacy Discussed

1. Because of increasing urbanization of the Negro, his whole cultural pattern is changing; 2. This is evinced in the breakdown of social conduct as noted in Juvenile delinquency; 3. It is noted also in the decline of influence of society, the church, and the school. 4. This shifting of population did not stop with 1920 but continues thru 1930 as is shown by recent census data; 5. One of the fields to which we shall be forced to give greater emphasis is that of labor. Despite our cry of lost jobs—occupations for Negroes in Georgia showed tremendous increases over 1920.

6. The second field is that of children born out of wedlock. We have been handicapped in our programs in this field because of the dogmatic treatment given by our professional groups. This is a most serious problem, for in 1928 there were 33,000 illegitimate births among Negroes and 30,000 among whites in the birth registration area. Even today the Negro rate of illegitimacy is eight times that of whites.

James H. Hubert, executive secretary of the New York City Urban League discussed "Significant Changes in a Local Northern Community," and Julius A. Thomas, executive secretary of the Louisville (Ky.) Urban League, discussed "Significant Changes in a Local Southern Community."

Thomas emphasized the fact that Negroes of the South are becoming more courageous. He also pointed out that more recognition of the Negro's worth is being given even in the South.

Close Ranks and Reopen the Bank

PLANS for reorganizing Metropolitan Bank and Trust Company have progressed to a stage where a relatively few signatures of depositors are needed to reopen the institution. The readiness with which almost four thousand depositors signed the reorganization agreement evidences emphatically the desire of an overwhelming number of those directly concerned to see the Metropolitan Bank doing business again.

Having arrived at the very threshold of their objective, the reorganization committee is blocked by a few hesitant depositors who have very little to lose and everything to gain by joining the four thousand.

At this stage, within a stone's throw of the goal, it would be a greater disaster in the community to have the plan fail. It would be a blow more crushing to the hopes and future possibilities of our community than the mere inability of the bank to resume operations. Success after such laudable forward steps as have been made will be epochal; failure an everlasting blot on the fair name of this community.

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With so much to be gained by one hundred percent cooperation of the depositors, it sounds almost absurd to say that the committee is facing imposing obstacles. But there are a few people who are refusing to place their signatures on the agreement. In all probability they feel that they are justified in holding out, but regardless of the merits of their position it is hardly possible that four thousand people who have given their assent to the reopening could be wrong.

No suggestion of doubt in their good faith is being raised. Yet whether their motives are good or bad, they are blasting the hopes and future financial possibilities of the colored people of Norfolk. The result of their attitude, if maintained, will prevent the reorganization of the city's only Negro bank and unquestionably make the organization of a new one a very remote possibility of the future. That result is incomprehensible in the minds of far-seeing members of the community.

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Failure of these few people to sign becomes a concern of all because Norfolk's uptown business center needs a bank. That fact has been brought home forcibly to residents and business men in the uptown area since Metropolitan suspended activities in January. Banking relationships with downtown institutions are difficult to establish. There are those who are able to make the grade—to meet the larger and more rigid requirements—but they are few. Many small businesses and many individuals who enjoyed good standing at the Metropolitan Bank are unable to earn satisfactory contacts with the larger banks. Under such conditions, the entire business community is liable to devolve into a state of stagnation and eventually into disintegration.

In addition to these tangible, practical advantages, a bank also has a sentimental and inspirational value in any community. It stands as a shining light to the world that about it there are people who are participating in the affairs of the world, seeing ahead, and moving ahead. It stands as an irrefutable assertion that in that community there are people who are able to plan and execute, on a smaller scale, the big things that have brought us thus far into a glorious age. Of these things the building at Church and Brambleton is a symbol. If Metropolitan does not reopen the building will most likely be lost to our group forever.

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Any suggestion that those who will be charged with directing the revived institution will not be able to meet future emergencies such as that which forced suspension of business should immediately be discounted in the minds of thinking people. Banking as a business is relatively a new thing with our group. We have passed through the trial and error stage. The lessons, often bitter and tragic, learned in past misfortunes will remain with us as part of our education in the trade. We have gone "through the mill" and now possess a knowledge and experience adequate to see us through to success in the future.

The people have been tolerant and patient during this period of experimentation. They should be confident as they face the more advanced period of sound banking. We should have no fears.

A community without a bank is like a wheel without a hub. It would be a revelation to ourselves and to those who are watching Norfolk on the outside to prove that our group in this community had the will and the stamina to come back after suffering a crushing reverse.

This is one project on which the whole community may unite and by doing so heal all the differences and wounds of the past, restore confidence, renew faith and rededicate ourselves to the task of building an enduring foundation upon which we and our children may stand.

Close ranks and reopen the bank.